

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SIDNEY GORDON,

Plaintiff,

v.

SONAR CAPITAL MANAGEMENT LLC,
NOAH FREEMAN, NEIL DRUKER,
PRIMARY GLOBAL RESEARCH, LLC, THE
JOHN DOE HEDGE FUND(S), and JOHN AND
JANE DOES 1 THROUGH 100,

Defendants.

11-cv-09665 (JSR)

AFFIDAVIT OF MARK J. HYLAND

STATE OF NEW YORK)

: ss.

COUNTY OF NEW YORK)

Mark J. Hyland, being duly sworn, deposes and says:

1. I am a member of Seward & Kissel, LLP, counsel for Defendants Sonar Capital Management, LLC ("Sonar") and Neil Druker. I submit this affidavit in support of Sonar's and Druker's Motion to Dismiss the Amended Class Action Complaint pursuant to Fed. R. Civ. P. 12(b)(6).

2. Plaintiff Jeffrey Tauber ("Tauber") has submitted a Certification dated March 2, 2012 and attached an exhibit purporting to list Tauber's transactions in Sigma stock during the putative class period July 13 through November 28, 2007. Tauber's records reveal that he was a net purchaser of Sigma shares, ending the putative class period with 15,790 more shares than when the Class Period began. A chart summarizing Tauber's transactions based on the information he provided in his certification is set forth below:

Date	Shares Sold	Shares Bought	Net Shares
July 19		9,000	9,000
July 30	9,000		0
August 16	18,000	19,345	1,345
October 25	15,100		(13,755)
November 14		19,545	5,790
November 15	5,300	5,300	5,790
November 23		5,000	10,790
November 26		5,000	15,790
Total	47,400	63,190	

3. Taking the average price at which Tauber asserts he purchased the 15,790 Sigma shares that he held at the end of the putative class period (53.19) and the average of the high and low prices at which Sigma shares traded on November 29, 2007, the day after the putative class period ended (66.17), Tauber stood to realize a profit of approximately \$205,000 on the 15,790 shares he held as of that date.

4. In addition, Tauber's trading records reveal that he engaged in frequent, multidirectional trades on the same day. For example, on July 30, Tauber made nine trades; on August 16 he both bought and sold, making 18 trades; on October 25 he made a staggering 76 trades; on November 14 he made five trades; and on November 15, he bought and sold, making three trades.

5. Tauber also transacted a significant volume and dollar value of shares when he traded Sigma stock. As noted above, Tauber frequently traded thousands of shares at a time. Based on the prices at which he claims to have traded Sigma shares, Tauber transacted between approximately \$270,000 and over \$1 million each day he traded.

6. Attached as Exhibit A are true and correct records obtained from Bloomberg, pursuant to Bloomberg's subscription service, showing the opening, high, low and closing prices at which Sigma shares were traded on July 19, July 30, August 16, October 25, November 14, November 15, November 23 and November 26, 2007, the dates on which Plaintiff

Jeffrey Tauber asserts that he bought and sold Sigma stock. With one exception (his sale on August 16, 2007), none of the prices at which Tauber alleges he transacted in Sigma stock fall within these ranges. The chart below summarizes these inconsistencies:

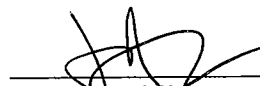
Transaction Date	Number of Shares Purchased/(Sold)	Tauber's Price Range	Bloomberg Price Range (Low – High)	Difference ¹
July 19	9,000	31.06	31.78 - 32.76	(0.72) – (1.70)
July 30	(9,000)	30.03 - 30.06	31.00 - 33.20	(0.97) – (3.14)
August 16	19,345	33.06 - 33.45	29.30 - 31.93	3.76 – 1.52
August 16	(18,000)	31.56	29.30 - 31.93	n/a
October 25	(15,100)	52.06 - 52.76	53.75 - 55.22	(1.69) – (2.46)
November 14	19,545	54.20 – 55.76	57.19 – 59.38	(2.99) – (3.62)
November 15	5,300	52.06 – 52.56	55.60 - 58.41	(3.54) – (5.85)
November 15	(5,300)	52.11	55.60 - 58.41	(3.49) – (6.30)
November 23	5,000	54.06	49.91 – 53.53	4.15 – 0.53
November 26	5,000	51.06	52.50 – 54.91	(1.44) – (3.85)

7. Tauber's trading records reveal that on August 16 and November 23, Tauber bought Sigma at prices significantly *higher* than market price. On July 30, October 25, and November 15, he also sold at prices significantly *lower* than market price.

8. A true and correct copy of the Amended Complaint in *SEC v. Longoria, et al.*, referenced in the Amended Complaint in this action, is attached as Exhibit B.


Mark J. Hyland

Sworn to before me
May 15, 2012


Notary Public
JULIA SPIVACK
Notary Public, State of New York
No. 02SP6121041
Qualified in Kings County, NY
Commission Expires Jan. 3, 2015

¹ Prices in parentheses reflect the negative difference between Tauber's execution price range and the market price range.